

Broads Authority

23 July 2021

Agenda item number 22

Nature for Climate Peatlands Discovery Grant

Report by Environment Policy Adviser

Purpose

The Government's Nature for Climate Peatlands Discovery Grant Scheme provides an opportunity for the Broads, with funding from Natural England. The aim of the scheme is to support the development of peatland restoration partnerships and projects.

Broads Plan context

(Aspiration 1) 1.4 Investigate, plan and promote schemes to hold back or divert flood water, moving from retrospective to proactive approaches.

(Aspiration 2) 2.3: Maintain and enhance existing areas of priority habitat. 2.5 Create 'bigger, better and more joined up' areas of priority habitat. 2.6 Improve partnership coordination and communication of Broads biodiversity monitoring and research efforts.

(Aspiration 10): Build the awareness and adaptive capacity of local communities to the challenges of climate change and sea level rise. 10.1 Develop and promote tailored mitigation and adaptation measures.

Recommended decision

To submit a partnership application by 1 September 2021 to the Nature for Climate Discovery Grant, with the Broads Authority as the lead partner.

1. Introduction

- 1.1. The [England Peat Action Plan](#) sets out the Government's long-term vision for the management, protection and restoration of our peatlands, so that they provide a wide range of benefits to wildlife, people and the planet. The Nature for Climate Fund sets a goal to fund approximately 35,000 hectares of peatland by 2025. It also commits (page 12) "to support National Parks and Areas of Outstanding Natural Beauty teams to deliver significant amounts of peatland restoration over the next 10 years". Although £50 million of grant funding has been pledged, it is estimated that at least £175 million is required to meet the 35,000ha target. There is therefore a need for additional private funding to meet the target.
- 1.2. The Government published a [Nature for Climate Peatlands Discovery Grant Scheme](#) on 7 July, with a closing date for applications on 1 September. The Discovery Grant scheme

is part of the Nature for Climate Peatland Grant Scheme, which runs until 2025, and includes two types of grant: The Discovery Grant discussed in this paper, and the Restoration Grant, which will fund landscape scale restoration work on degraded peatlands in England. There is an expectation that the outcome of the Discovery Grant will be used to prepare bids for Restoration Grant applications.

- 1.3. The Scheme is an opportunity to contribute to multiple Broads Plan objectives, and would enable the Authority to further the outcomes from the CANAPE project to deliver additional peatland restorations.
- 1.4. The Grant application builds on the CANAPE farmer engagement, which includes demonstration of wetland agriculture (paludiculture) at Horsey and raising awareness on possible changes to land use for carbon storage and carbon emission reduction. The proposal recognises the learning from CANAPE that a key barrier for farmers seeking to create peat forming habitats is economics. The partnership would develop a commercial model for lowland peat restoration. The learning from CANAPE would also inform how to get sites ready for restoration and investment.

2. Nature for Climate Discovery Grant in the Broads

- 2.1. The Broads is a significant store of carbon and rich in nature, which is under pressure from climate change and farming methods. Recent investigations and mapping confirm the importance of the Broads for peat storage and carbon emissions. The CANAPE peat assessment estimates that one million tonnes of carbon have been lost from the Broads in the past 40 years.
- 2.2. Rewetting peatlands and enabling paludiculture are part of the solution towards planned adaptations; however, there are significant barriers to restoring lowland peat and demonstration projects are needed. Major barriers towards peatland restoration include:
 - Insufficient technical understanding of sites to prescribe restoration work
 - Insufficient coverage of the peat maps to enable targeted actions
 - Regulatory barriers: water vole, planning permission, flood risk assessment
 - Potential impacts on neighbouring land, assets and infrastructure
 - Entrenched views about raised water levels and need for water abstraction
 - Concerns about impacts on farm businesses and lack of viable business model
 - Historic drainage infrastructure maintaining peat wasting conditions
 - Intense competition for water resources
 - Insufficient management techniques and knowledge to sustainably manage restored peat-forming wetlands

- Lack of finance for restoration and management of rewetted peatlands.
- 2.3. The purpose of the Discovery Grant project is to address these risks and barriers for rewetting land to create peat forming habitats with carbon and nature benefits. Most importantly, it provides the opportunity to work with farmers and land managers to prepare the feasibility stages of potential future projects that would deliver multiple ecosystem services.
- 2.4. The types of activity the Discovery Grant will fund includes:
- Building capacity and capability in emerging peat partnerships
 - Developing new peat partnerships in locations where none are established
 - Engaging new partners or landowners
 - Exploring opportunities for private investment funding
 - Developing site understanding, including baseline monitoring, hydrological and ecological surveys, or historic environment assessments
 - Obtaining statutory consents
- 2.5. Partners in the Broads (Norfolk and Suffolk Wildlife Trusts, Natural England, RSPB, National Trust, Norfolk FWAG, the Water Management Alliance, and various private landowners) are already developing projects that would be eligible for the Discovery Grant. These include creating peat forming habitats in Thurne valley (Heigham Holmes), Ant valley (Buttle Marsh, How Hill, Sutton Fen), Waveney valley (several sites including Carlton Marshes), Bure valley (Ranworth, Alderfen, Upton, Decoy), and Yare valley (around Norwich). Partners have indicated their support for the Broads Authority leading a Discovery Grant bid for the Broads. A map of potential sites is at Appendix 1. Key outcomes from the Discovery Grant would be the delivery of feasibility studies for those sites.
- 2.6. Some projects would be delivered by partners, and the Broads Authority would deliver peatland restoration at Buttle Marsh and How Hill. The production of additional peat assessments and emission estimates would also be included in the Discovery Grant bid to build on the peat mapping realised through CANAPE. These projects are listed priorities in the Biodiversity and Water Strategy Action Plan.
- 2.7. Other outcomes from the Discovery Grant would be cross-cutting technical studies with support from Palladium (an international consultancy working with the UK's National Parks), whose members of staff are offering their services to establish a portfolio of peatland restoration projects that can attract private finance. Key work strands would be:

- Development of a new economic model for rewetted peatland, including carbon credits, private finance, paludiculture and farm support (including ELMS). This will be an important tool in advocacy.
 - Development of an engagement strategy around the landowner's role and stacking payments for ecosystem services.
- 2.8. The concept of the project received support from the National Farmers Union (NFU) and the Norfolk and Suffolk Nature Recovery partnership. There will be some sharing of information with Water Resources East (to inform the Norfolk Water Strategy), and the Broadland Futures Initiative.
- 2.9. To embed the Broads Discovery partnership at a larger scale, a strategic alliance from Cambridgeshire to the Coast would share best practice as part of the 'Fens East' alliance.

3. Financial implications

- 3.1. Applicants can apply for up to 100% of funds for Discovery Grant projects. The indicative amount for the total value of the partnership's activities is estimated to be between £250,000 and £400,000. The Broads Authority part is estimated at £150,000. To enhance the value for money assessment of the bid, it is proposed to include a match funding cash contribution of £10,000 from the Broads Authority.
- 3.2. Results of the Discovery call are due on 8 October. Applicants will have up to 31 March 2023 to spend the grant. Most of the spend is expected to occur in 2022/23, with a small amount spend in 2021/22, to prepare bids for Restoration Grant bids in 2023.
- 3.3. There will be a cost to the bid writing, in the region of £5,000, with contributions from partners.

4. Risk implications

- 4.1. A risk is identified if partners do not play an active role and undermine the value of the partnership. This is assessed as a low risk, as partners are committing resources to putting the bid together (for example Natural England are committing 0.5 FTE).
- 4.2. A key partner is Palladium. The partnership with National Parks reduces the risk of them dropping out, which would undermine the potential added value to the project.
- 4.3. Because of the recent work started on Farming in Protected Landscapes (FiPL), there is a potential risk of confusion for farmers and land managers between FiPL and the Discovery Grant. This will would require clear communication.
- 4.4. Impact on Broads Authority workplan: If it was successful, various teams would be impacted, including Environment Policy Adviser, Finance, Communications, Planning, Ecology, GIS and Administration. We would factor in the costs of a project manager to

manage the Discovery Grant project. Her/his coordination role, both internally and externally, would be critical in planning activities forward to fit within other workloads.

- 4.5. Risk of double funding / need for additionality: The handbook says that public bodies, including Defra group organisations, can be included in partnerships applying for a grant. Applicants will need to demonstrate that the funding that is being sought is for additional work that is not funded already as part of the public bodies core. This will require clarity on the level of evidence required to claim for staff time.
- 4.6. If the bid fails, there will be a cost to the Authority of up to £2,000 depending on partner contributions and staff time.
- 4.7. Depending on the outcome of the Discovery Grant proposal, it would need to be added to the Risk Register and to the Partnership Register.

5. Conclusion

- 5.1. The Authority's recent experience with the Farming in Protected Landscapes programme (FiPL), and this call for bids to support peatland restoration, are a good indication of the likely direction of travel for Government funding of National Parks. Core National Park Grant is likely to be held at flat cash or flat cash with an element for inflation, with authorities expected to bid for additional funding for the delivery of the Government's priorities. There will therefore be an expectation by Ministers that the Broads Authority and the National Park Authorities will submit bids for funding programmes such as this one, with short timescales both for submitting bids and delivery of the outcomes.
- 5.2. Fortunately, the CANAPE programme and the Test and Trials partnership work has put the Authority in a good place to respond to this call for projects to develop peatland restoration partnerships and projects. The need to leverage additional funding is acknowledged. Working with Palladium on the Discovery Grant scheme will help the Authority in the development of new economic models. If members approve the submission of a bid, then officers would recommend that it be recognised as one of the strategic priorities for the coming year, and given priority over other work.

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[Broads Plan](#) strategic actions: 1.4, 2.3, 2.5, 2.6, 10.1

Appendix 1 – Map of potential sites in the Broads

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